



Sunset Beach Sanitary District

P.O. Box 1185

Sunset Beach, CA 90742

(562) 493-9932

www.sunsetbeachsd.org

Minutes for the General Meeting of the Board of Directors

October 13th, 2022 - 6:30 p.m.

Sunset Beach Woman's Club - 16812 Bayview Drive, Sunset Beach CA 90742

Directors present: President Graham Hoad, Secretary John Woods, Treasurer Bernard Hartmann.

Staff present: Supt. Brad VanMalsen, Supt. II Rolf Pridham,
Asst. Supt. Eric Schlange, District Engineer Tom Dawes, and
District Clerk Chris Montana.

Community: None.

President Hoad called the meeting to order at 6:30 p.m.

Community Input: None.

Review and Possible Approval of the September 8th, 2022 General Meeting of the Board Minutes: After Directors reviewed the Minutes of the September 8th, 2022 General Meeting of the Board as prepared by the District Clerk, a motion was made and carried as follows:

MOTION: Secretary Woods moved to approve the August 11th, 2022 Minutes of the General Meeting of the Board as prepared. President Hoad seconded, and the motion passed unanimously.

Current Bills: District Clerk Montana presented the October 13th, 2022 Claims Transmitted for Payment in the amount of \$307,720.70. After review and discussion, Secretary Woods moved to approve the current bills and Claims for Payment as prepared for submission to the County Auditor-Controller for payment. Treasurer Hartmann seconded, and the motion passed unanimously.

Fund Balance: Treasurer Hartmann reported the Fund Balance as of September 30th, 2022 to be \$2,241,442 and signed off on the monthly bank reconciliations.

Clerk's Report: Clerk Montana reviewed the current month's trial balance and distributed the Record Retention Policy for adoption, as it had been reviewed by the District's legal counsel as directed by Board members at the previous month's Meeting of the Board. A motion was made and carried as follows:

MOTION: Secretary Woods moved to adopt the Sunset Beach Sanitary District's Record Retention Policy as prepared by the District Clerk and reviewed by District legal counsel. Treasurer Hartmann seconded and the motion passed unanimously.

The Clerk presented an engagement letter from Willdan Financial Services in the amount of \$35,000 for

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municipal advisory services in order to assist in securing suitable, timely financing for the Broadway Pump Station Bypass Sewer Project. The fee is to be paid out of issuance proceeds. A motion was made and carried as follows:

MOTION: Treasurer Hartmann moved to approve the Willdan Financial Services engagement letter in the amount of \$35,000. Secretary Woods seconded and the motion passed unanimously.

The Clerk presented the annual SmartCover Warranty quote in the amount of \$23,205 for parts, labor and power, covering 15 manholes for one year. After review and discussion between Board members and staff regarding the cost of the warranty in relation to overall savings, a motion was made and carried as follows:

MOTION: Treasurer Hartmann moved to approve the annual SmartCover warranty quote, for 15 manholes, in the amount of \$23,205. Secretary Woods seconded and the motion passed unanimously.

Clerk Montana presented and discussed the final applied 2022-23 Assessment Roll totaling \$520,650.00. Additionally, the Clerk reported that the District's first Electronic Annual Report had been timely filed with CalRecycle in accordance with SB1383 and that federal and state quarterly payroll tax returns had been filed.

Review of Surfside Colony, Ltd.'s Request for Reimbursement of 11 Private Sewer Lateral Replacements in the Amount of \$33,236.15: Clerk Montana distributed an invoice from Surfside Colony, Ltd. in the amount of \$33,236.15 and back up for review and discussion. Engineer Dawes reviewed his report and 2014 sewer main replacement blueprints and recommended reimbursement since the laterals should have been replaced as part of that project. Clerk Montana distributed a Memo to the Board explaining that the District's Ordinance, the 2019 Agreement with Surfside Colony, Ltd., prevailing wage laws, and Proposition 2018 would prohibit the District from paying the invoice. After review and discussion, a motion was made and carried as follows:

MOTION: Treasurer Hartmann moved to table action on payment until District's legal counsel reviewed the issue of the District being legally able to reimburse Surfside Colony, Ltd. for the cost of replacing 11 private sewer laterals. Secretary Woods seconded and the motion passed unanimously.

Superintendent's Report (see attached): Superintendent VanMalsen reviewed the attached Superintendent's Report and discussed the current month's Flow Report with the Board.

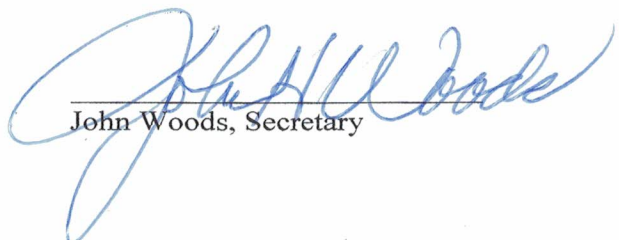
Engineer's Report (see attached): District Engineer Dawes reviewed the attached Engineer's Report with the Board, including the status of the Broadway Pump Station Bypass Sewer Project.

New Business / Board Member Items: None.

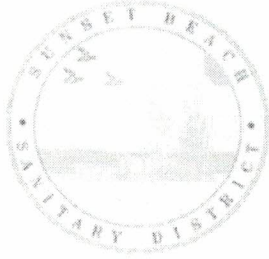
Adjournment: There being no further business to be brought before the Board, a motion was made by Secretary Woods to adjourn the meeting at 7:45 p.m. Treasurer Hartmann seconded, and the motion to adjourn passed unanimously.



Graham Hoad, President



John Woods, Secretary



Sunset Beach Sanitary District
Of Orange County
P.O. Box 1185
Sunset Beach, CA 90742

Superintendent's Report

October 13th, 2022

1. No emergency call-outs
2. Review Flow Report
3. Monthly training conducted
 - a. "Water Industry Asbestos Awareness"
4. Cleared pump valve to gravity line **(6 times)**
5. Pump station Motor One (1) was replaced, Pump Two (2) will be replaced next week. **(Flo-Services and Staff)**.
6. Street and Sewer Replacement on the furthest north section of Surfside, Eleven (11) A-Row sewers were repaired. Next section is under way, in which thirty three (33) homes will be replacing the sewer laterals.

MEMORANDUM

October 7, 2022

To: Board of Directors of the Sunset Beach Sanitary District
District Counsel
Superintendent
District Clerk

From: Tom Dawes

SUBJECT: Engineer's Report for the October 13, 2022 Regular Board Meeting.

1. Broadway Pump Station Bypass Sewer.

We completed our permit applications for both the California Coastal Commission and the RWQCB dewatering permit. We received more feedback from the Coastal Commission who wanted to know if we had contacted Native American tribes and if we were planning to have a Native American monitor our digging. We had contacted all tribes in Southern California (required as part of the federal cross-cutting necessary to get a state loan that originate with federal dollars). We are not planning to hire a Native American to monitor our construction. Our report found little likelihood of buried artifacts.

Additionally, the Coastal Commission does not seem to like the 20 trees we picked for replacing the 10 trees we remove in the construction. We picked red alders, and the Coastal Commission is worried about raptors (hawks) sitting in the branches and raising trouble with the other birds. So, we asked LSA's biologist to look at trees and they recommended different trees, which I sent to the Coastal Commission for review by their biologist. I think the tree issue will be resolved by a condition of the permit stating we have to plant a certain tree.

Financial Issues.

Lee and Ro, our designer, hired a lobbyist who used to work at the State Water Resources Control Board to see what could be done to assure funding for our project. He visited with staff and was told we were very high on the list for 2023/24, and could probably get funding in July, 2023.

The trouble is that we must have assured funding to award a contract. There are a couple of alternate funding prospects that the District Clerk and I will discuss at the meeting. Also, at the meeting, I expect to have an updated cost estimate from our estimator.

Design

The plans, specifications and contract documents are now 90% complete, including the traffic detour and landscape restoration plans. There are 2 sets of traffic plans, one for Caltrans and one for the City of HB. We will submit them to the City of HB and Caltrans as soon as we have

them reviewed, (no later than the end of the month) and we will submit the contract documents to District Counsel soon.

We are going to have to work in PCH and Warner Ave at night. Caltrans is worried about a single lane in the daytime, and the City is worried about the buses and their turn-around. We are concerned about providing access to Jack-in-the-box.

All plans are scheduled to be completed by the end of this month, and by complete, I mean fully review by me and our design team. We are on schedule; the next several months were scheduled to finalize out permits. Our Target date for approval of the Contract documents is March 9, 2023. I will review the project with you at the meeting.

2. Surfside Colony house lateral Extensions.

I sent you an interim report regarding the A Row house laterals that we connected to our Surfside Avenue main sewer in 2014, when we eliminated all the common house laterals that directed sewage from A and B Row to C Row. We did not replace the full A Row laterals in that project; we connected them to the new main sewer by joining to what we believed was good sewer pipe, based on an electronic survey. As part of their rebuilding of Surfside Avenue, the Colony found some of the older portions of the house laterals to have poor pipe and replaced it. Had we known it was poor quality pipe in 2014, we would have replaced it.

The colony is requesting cost sharing of the replaced portions of the house laterals.

2. Invoice for Professional Services.

I have submitted an Invoice for \$7,233.35 for professional services and expenses at cost for the month of September, 2022. The largest work item was the Broadway Pump Station Bypass Sewer. If you have any questions, please give me a call.